# CORPORATE ACCOUNTING & REPORTING OF FOOD SECTOR IMPACTS

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EXECUTION STITUTE

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TO

### IMPACT INSTITUTE & TRUE PRICE | ACCELERATING THE IMPACT ECONOMY









Goal: Each organization publishes and steers on impact statements





Goal: Each product has a true price



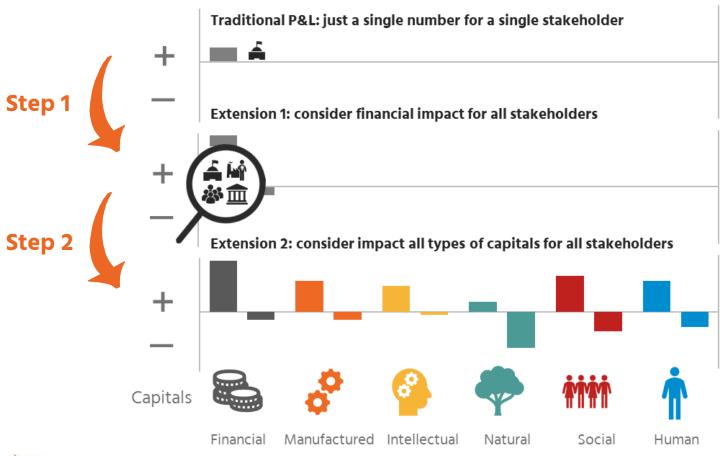
### CORPORATE ACCOUNT AND REPORTING | VARIOUS LEVELS

There are currently many frameworks and initiatives for true cost accounting in food and agriculture. This is becoming an impediment to adoption. Therefore, the TCA Accelerator has launched a Harmonization Initiative to help harmonize existing and new frameworks based on common principles, definitions and metrics.





### IMPACT MEASUREMENT & VALUATION | THE INTEGRATED PROFIT & LOSS



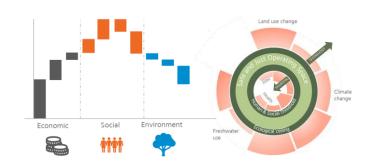
### Example application to other reporting frameworks:

### **SDG** view



Triple bottom line view

SJOS view





### REPORTING FRAMEWORK | IMPACT STATEMENTS



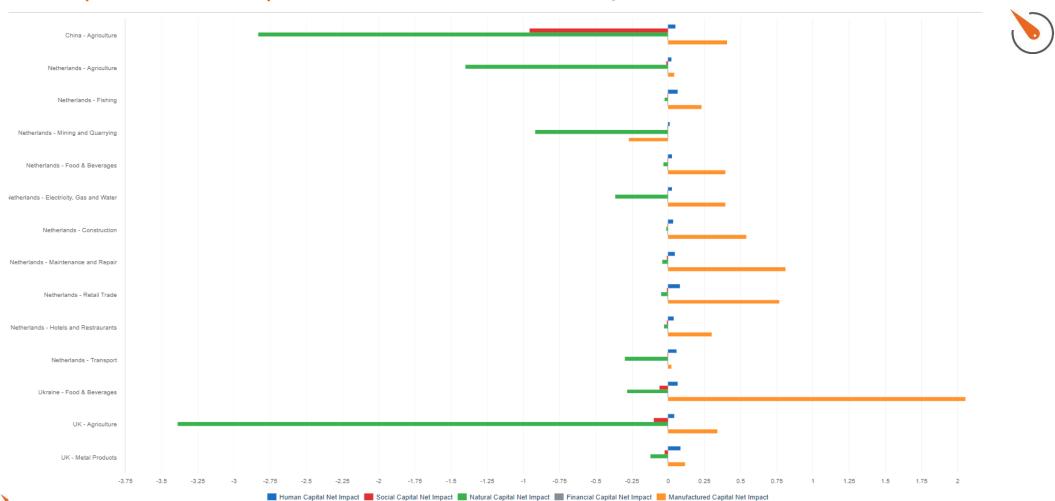
- 1) Create value for investors, short-term and long- 1) Investor value creation statement term
- 2) Create net value for each other stakeholder, 2) Value creation statement including clients, employees, and communities
- 3) Do no harm by respecting the rights of its \_\_\_\_\_ 3) External cost statement stakeholders and avoid imposing external costs;
- 4) Contribute to sustainable development in line with the UN's SDGs.

  4) SDG Statement



### WHERE TO GET DATA FROM | GLOBAL IMPACT DATABASE

### Example: Direct impact at sector and country level





## APPLYING IP&L ABN AMRO IMPACT REPORTING



### Impact dashboard 2020

This table shows the impact of ABN AMRO from the perspective of the different stakeholder groups.										
		Clients		Employees		Investors		Society		
		2020	2019	2020	2019	2020	2019	2020	2019	/FUD: 11'
Manufactured	including value of housing, and other banking and investment services									(EUR millions equivalent)
Financial	including fees, commissions and other income, and payments to suppliers, employees and investors									0 - 50
Intellectual	including value of asset management and other fee-based services, data protection and other systems and processes									100 - 500
(ii) Human	including time, skills and productivity from employees and contractors, well-being effects of employment and health & safety									1,000 - 5,000
Social	including customer loyalty, impact on social issues such as child labour, low pay and financial distress									5,000 - 10,000 Positive
Natural Natural	including use of scarce natural resources, contribution to climate change and pollution									impact  Negative impact

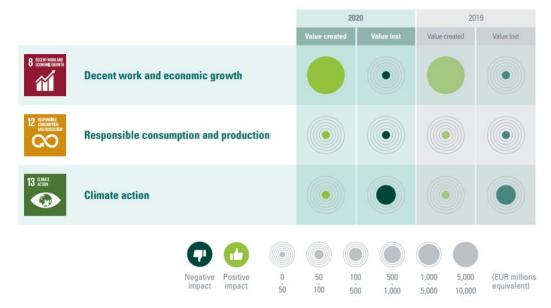
Where no range is provided in the table above, this is due either to a lack of available data or because impacts were not considered sufficiently material. For a full list of impacts by capital and examples of our stakeholders, please see pages 16 and 7, respectively).



### APPLYING IP&L ABN AMRO IMPACT REPORTING



### Our contribution to the UN Sustainable Development Goals



### External costs in ABN AMRO's value chain



### External costs by stakeholder group

Impacts from the perspective of the stakeholder groups.

	2020	2019
•		
Clients		
Occurrence of cyber crime	••••	••••
Unintended incidents with personal information	000000000	000000000
🛍		
Employees		
Occupational health and safety incidents	• • • • • • • • • • • • • • • • • • • •	••••••
Effect on health and safety due to Covid-19	000000000	
•		
ż		
Investors		
No material external costs		
No material external costs		
No material external costs	••••••	•••••
•	••••••	•••••
Society		
Society Occupational health and safety incidents	•••••••	••
Society Occupational health and safety incidents Effect on health and safety due to Covid-19	000000000	•••••
Society Occupational health and safety incidents Effect on health and safety due to Covid-19 Gender discrimination in access to higher skilled jobs	000000000	00000
Society Occupational health and safety incidents Effect on health and safety due to Covid-19	001000000 000010000 000010000	00000
Society  Occupational health and safety incidents  Effect on health and safety due to Covid-19  Gender discrimination in access to higher skilled jobs  Underpayment  Child labour	000000000 000000000 000000000	00000
Society Occupational health and safety incidents Effect on health and safety due to Covid-19 Gender discrimination in access to higher skilled jobs Underpayment	001000000 000010000 000010000	00000
Society  Occupational health and safety incidents  Effect on health and safety due to Covid-19  Gender discrimination in access to higher skilled jobs  Underpayment  Child labour  Contribution to climate change	0000.0000 0000.0000 0000.0000 0000.0000	00000
Society  Occupational health and safety incidents  Effect on health and safety due to Covid-19  Gender discrimination in access to higher skilled jobs  Underpayment  Child labour  Contribution to climate change  Use of scarce materials	000000000 000000000 000000000 00000000	0000
Society Occupational health and safety incidents Effect on health and safety due to Covid-19 Gender discrimination in access to higher skilled jobs Underpayment Child labour Contribution to climate change Use of scarce materials Air pollution	000000000 0000000000 0000000000 0000000	000000000000000000000000000000000000000

Please note that costs may affect more than one stakeholder.







### TRUE PRICE | A MARKET PRICE + SOCIAL AND ENVIRONMENTAL COSTS

Air pollution

Soil pollution

Water pollution

Fossil fuel use

Scarce water use

Other non-renewable material use

Contribution to climate change

Land us

Land transformation

(Other) loss of biodiversity

(Other) loss of ecosystem services

Social costs

Environmental costs

Market price Occupational health and safety risks

Harassment

Insufficient wages

Insufficient income

Excessive and underpaid overtime

Lack of social security

Gender inequality

Other forms of discrimination

Forced labor

Child labor

Lack of freedom of association

Denied collective bargaining

Public safety risks

Public health risks

Breach of indigenous rights

Breach of land rights

Occurrence of corruption

Tax evasion

Deliberate misinformation

Consumer health and safety risks

Breaches of privacy

Lack of transparency



### REPORTING FRAMEWORK | TRUE PRICE FRAMEWORK FOR FOOD AND AGRI

- Public Private Partnership to have an internationally accepted method
- Several initiatives are working on True Pricing, True cost Accounting, National Capital accounting. This asks for some harmonisation.
- We aim for an open-source method of true pricing which becomes public available
- Next to true pricing also fair pricing is part of the PPP

This PPP runs from 2019-2022.













**ABN'AMRO** 













### DETAILED GUIDANCE | PPC MODULES ON X INDICATORS

Contribution to climate change





Land use & biodiversity

Occupational health & safety





Living wages and social security

Soil degradation





**Material depletion** 

Human rights in the value chain



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Living income of producers

Air, soil & water pollution





Water use

**Discrimination** 





Animal welfare below standards



Consumer health & safety

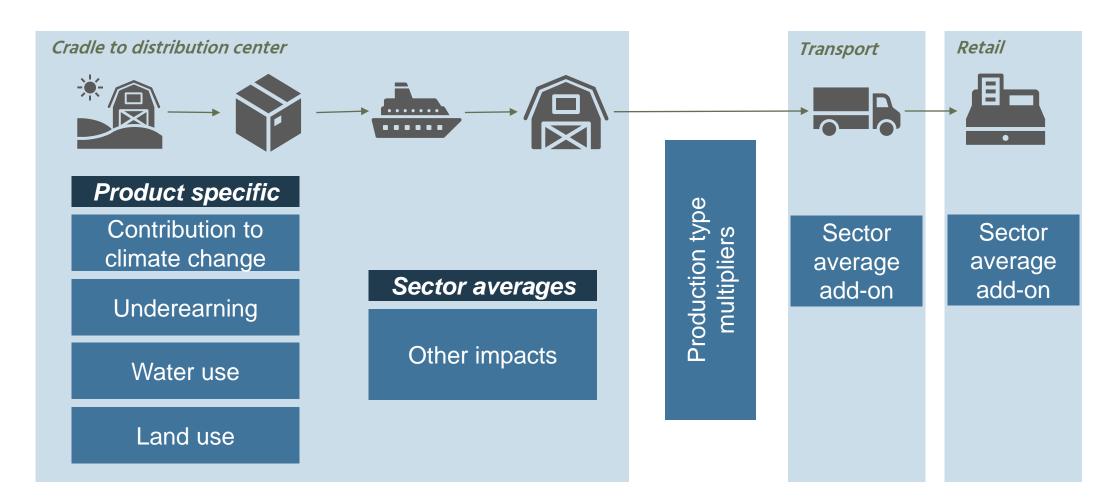


## RIGHTS BASED APPROACH | MONETISATION FACTORS

Impact	Footprint indicator	Footprint sub-indicator	Monetisation	T
			factor	l
	Underage workers that		21,800	Ť
	are not attending school		EUR/children	l
	Labour force to be		7.92 EUR/FTE	1
	audited for child labour			l
Forced Labour	Forced workers (least		13,700 EUR/FTE	Ť
	severe)			l
	Forced workers		73,000	1
	(medium severe)		EUR/FTE	l
	Forced workers (most		133,000	1
	severe)		EUR/FTE	l
	Forced workers who are		17,900 EUR/FTE	1
	in debt bondage			l
	Forced workers who are		22,900	1
	victims of abuse		EUR/FTE	l
	Labour force to be		7.92 EUR/FTE	1
	audited for forced			l
	labour			
Discrimination	Female workers without		1,890 EUR/FTE	T
	maternity leave			l
	provision			l
	Value of denied		1.06 EUR/EUR	1
	maternity leave			l
	Wage gap from gender		1.49 EUR/EUR	1
	discrimination			
	Wage gap from unequal		1.49 EUR/EUR	1
	opportunities			



### PRODUCT DATA | TRUE PRICE DATABASE



### REPORTING & DUE DILIGENCE | JUMBO SUPERMARKET ON ROSES



Total	social	cost:	0.031	€/	stem
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€ 0.017	7 20	Gender discrimination	€ 0.004	Gender discrimination
€ 0.008		Underpayment in the value chain	€ 0.004	Underpayment in the value chain
€ 0.006		Lack of social security	€ 0.001	Lack of social security
€ 0.001	130 H	Negative effects on employee health & safety	€ 0.0001	Negative effects on employee health & safety
€ -		Occurrence of harassment*	€ 0.00003	Excessive and unpaid overtime
€ -		Excessive and unpaid overtime*	€ -	Occurrence of harassment*
€ -		Lack of freedom of association*	€ -	Lack of freedom of association*

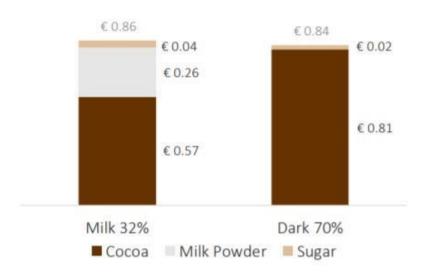


Total social cost: 0.009 €/stem

### IMPACT MANAGEMENT | TONY'S CHOCOLONELY



Cost of externalities for chocolate bar ingredients
(EUR/bar of 180 grams)







### **B-C** DE AANZET FIRST SUPERMARKET WITH TRUE PRICING









